

February 9, 2011

Mr. Brad Borum, Electric Director
Indiana Utility Regulatory Commission
101 West Washington Street
Suite 1500E
Indianapolis, Indiana 46204

Dear Mr. Borum:

1. The City of Auburn, Indiana, 210 East Ninth Street, Auburn, Indiana, under and pursuant to the Public Service Commission Act, as amended, and the Indiana Utility Regulatory Commission's (Commission) Order in Cause No. 40095, hereby files with the Commission for its approval, an average increase in its schedules of rates for electricity sold in the amount of .001981 per kilowatt-hour (KWH).
2. The accompanying changes in schedules of rates are based solely upon the changes in the cost of power and energy, purchased and generated by this utility computed in accordance with the Commission Order in Cause No. 40095, dated April 5, 1995.
3. All of the matters and facts stated herein and in the attached exhibits are true and correct. If approved, this change of rate shall take effect beginning with the April 2011 billing cycle.

City of Auburn, Indiana

By: Patricia M. Miller

STATE OF INDIANA)
)
COUNTY OF DEKALB)

Personally appeared before me, a Notary Public in and for said county and State, this Patricia M. Miller, who, after having been duly sworn according to law, stated that he/she is an officer of the City of Auburn, Indiana, that he/she has read the matters and facts stated above, and in all exhibits attached hereto, and that the same are true; that he/she is duly authorized to execute this instrument for and on behalf of the applicant herein.

Ann Shipe
NOTARY PUBLIC

My Commission Expires:

July 25, 2015



My County of Residence

DeKalb

AUBURN MUNICIPAL ELECTRIC UTILITY
Auburn, Indiana

Appendix A

Rate Adjustments

The Rate adjustments shall be on the basis of a Power Cost Adjustment Tracking Factor occasioned solely by changes in the costs of purchased and generated power and energy, in accordance with the Order of the Indiana Utility Regulatory Commission, approved April 5, 1995 in Cause No. 40095, as follows:

Rate Adjustments applicable to the above listed Rates Schedules:

(\$0.000360) per KWH per month (Negative Factor)

February 9, 2011

April, May and June 2011

AUBURN MUNICIPAL ELECTRIC UTILITY
Auburn, Indiana

Appendix A

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February 9, 2011

April, May and June 2011

AUBURN MUNICIPAL
ELECTRIC UTILITY
Auburn, Indiana

2011
2nd Qtr. FAC Tracker

February 9, 2011



Financial
Solutions
Group,
Inc.

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 APRIL, MAY AND JUNE 2011

LINE NO.		DEMAND RELATED	ENERGY RELATED
1	INCREMENTAL CHANGE IN BASE RATE PURCHASED POWER COST (a)	0.000000	0.0000000
2	ESTIMATED PURCHASED POWER ENERGY COST ADJUSTMENT (b)	<u>0.000000</u>	<u>0.000000</u>
3	ESTIMATED TOTAL CHANGE IN PURCHASED POWER COST (c)	<u>0.000000</u>	<u>0.000000</u>
4	ESTIMATED CHANGE IN PURCHASED POWER COST ADJUSTED FOR LOSSES & UTILITY RECEIPTS TAX (d)	0.000000	0.000000
5	PLUS TRACKING FACTOR EFFECTIVE PRIOR TO AEP'S RATE CHANGE (e)	<u>0.000000</u>	<u>0.000000</u>
6	ESTIMATED TOTAL RATE ADJUSTMENT (f)	0.000000	0.000000
7	ESTIMATED AVERAGE BILLING UNITS (g)	<u>1,941</u>	<u>36,743,333</u>
8	INCREMENTAL CHANGE	<u>0.000000</u>	<u>0.000000</u>
9	PROJECTED PJM COST	<u> </u>	<u>- (1)</u>
10	ESTIMATED INCREMENTAL CHANGE IN PURCHASED POWER COST (h)	<u> </u>	<u>-</u>

(1) This item is no longer passed on through the FAC Tracker.

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 APRIL, MAY AND JUNE 2011

LINE NO.	ESTIMATED KW		ESTIMATED KWH		INCREMENTAL CHANGE IN PURCHASED POWER COST ADJUSTED FOR LINE LOSS & UTILITY RECEIPTS					
	PURCHASED		PURCHASED		DEMAND	ENERGY	TOTAL			
1	1,941.00	(a)	36,743,333	(b)	-	(c)	-	(d)	-	(e)

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 APRIL, MAY AND JUNE 2011

LINE NO.	PLUS VARIANCE WITH LINE LOSS & GROSS REC.		TOTAL CHANGE IN PURCHASED POWER COST ADJ. FOR LINE LOSS & GROSS RECEIPTS TAX		RATE ADJUSTMENT FACTOR PER KWH				
	DEMAND	ENERGY	DEMAND	ENERGY	DEMAND	ENERGY	TOTAL		
1	-	(a) (13,242.66)	-	(c) (13,242.66)	(d) (13,242.66)	(e) (13,242.66)	(f) (0.000360)	(g) (0.000360)	(h)

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
THREE MONTHS OF

APRIL, MAY AND JUNE 2011

<u>LINE NO.</u>		<u>DEMAND RELATED</u>	<u>ENERGY RELATED</u>
1	BASE RATE EFFECTIVE	\$ 13.060	\$ 0.01252
2	BASE RATE EFFECTIVE	<u>13.060</u>	<u>0.01252</u>
3	INCREMENTAL CHANGE IN BASE RATE	<u>\$ -</u>	<u>\$ -</u>

**NOTE: MARKET RATE STARTING DECEMBER 1, 2009; THEREFORE, THIS PAGE
WILL BE REPLACED BY A WHOLESALE POWER TRACKER.**

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF

APRIL, MAY AND JUNE 2011

ESTIMATED POWER PURCHASES AND COSTS FROM AEP

LINE NO.		April 2011	May 2011	June 2011	TOTAL	ESTIMATED 3-MONTH AVERAGE
	<u>PURCHASE</u>					
1	DEMAND (KW) (a)	1,941	1,941	1,941	5,823	1,941
2	ENERGY (KWH) (b)	33,470,000	37,000,000	39,760,000	110,230,000	36,743,333
3	LINE LOSS (c)	3.48%	3.48%	3.48%		
4	UNITS SOLD (d)	32,305,244	35,712,400	38,376,352	106,393,996	35,464,665
	<u>COST</u>					
5	FACTOR PER KWH (e)	0.0000000	0.0000000	0.0000000		
6	CHARGE (f)	\$ -	\$ -	\$ -	\$ -	\$ -

NOTE: NO FUEL COST IS EXPECTED IN 2011.

AUBURN MUNICIPAL ELECTRIC UTILITY
RECONCILIATION OF VARIANCES FOR THE
THREE MONTHS OF
OCTOBER, NOVEMBER AND DECEMBER 2010

<u>LINE NO.</u>		<u>DEMAND RELATED</u>	<u>ENERGY RELATED</u>
1	ACTUAL PURCHASED POWER ENERGY COST ADJUSTMENT (a)	0.000000	0.0000000
2	PLUS TRACKING FACTOR EFFECTIVE PRIOR TO (b)	<u>0.000000</u>	<u>0.000000</u>
3	TOTAL RATE ADJUSTMENT (c)	0.000000	0.0000000
4	ACTUAL AVERAGE BILLING UNITS (d)	<u>1,941</u>	<u>35,235,000</u>
5	ACTUAL INCREMENTAL CHANGE IN PURCHASED POWER COST (e)	<u>0.000000</u>	<u>\$ -</u>

AUBURN MUNICIPAL ELECTRIC UTILITY
 RECONCILIATION OF VARIANCES FOR THE
 THREE MONTHS OF
 OCTOBER, NOVEMBER AND DECEMBER 2010

LINE NO.	ACTUAL KW PURCHASED	ACTUAL KWH PURCHASED	INCREMENTAL CHANGE IN PURCHASED POWER COST	
			DEMAND	ENERGY
1	1,941 (a)	35,235,000 (b)	- (c)	- (d)
				- (e)

AUBURN MUNICIPAL ELECTRIC UTILITY
 RECONCILIATION OF VARIANCES FOR THE
 THREE MONTHS OF
 OCTOBER, NOVEMBER AND DECEMBER 2010

LINE NO.	ACTUAL AVERAGE KWH SALES	DEMAND ADJUSTMENT		ENERGY ADJUSTMENT		INCREMENTAL KW DEMAND		INCREMENTAL KWH ENERGY		LESS PREVIOUS VARIANCE		
		FACTOR PER KWH	FACTOR PER KWH	FACTOR PER KWH	BY UTILITY	COST BILLED	BY UTILITY	COST BILLED	BY UTILITY	DEMAND	ENERGY	
1	32,388,517 (a)	-	(b)	(0.0044390) (1)	(d)	-	(d)	(141,759.85) (1)	(e)	-	(f)	(154,695.68) (g)

(1) See Attachment B for detail.

AUBURN MUNICIPAL ELECTRIC UTILITY
 RECONCILIATION OF VARIANCES FOR THE
 THREE MONTHS OF
 OCTOBER, NOVEMBER AND DECEMBER 2010

LINE NO.	NET INCREMENTAL COST BILLED BY UTILITY			VARIANCE		
	DEMAND	ENERGY	TOTAL	DEMAND	ENERGY	TOTAL
1	- (a)	12,935.83 (b)	12,935.83 (c)	- (d)	(12,935.83) (e)	(12,935.83) (f)

AUBURN MUNICIPAL ELECTRIC UTILITY

RECONCILIATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 OCTOBER, NOVEMBER AND DECEMBER 2010

ACTUAL POWER PURCHASES AND COSTS FROM AEP

LINE NO.			True Up Only October 2010	True Up Only November 2010	True Up Only December 2010	TOTAL	ESTIMATED 3-MONTH AVERAGE
<u>PURCHASE</u>							
1	DEMAND (KW)	(a)	1,941.18	1,941.18	1,878.56	5,760.91	1,941.00
2	ENERGY (KWH)	(b)	33,470,000	37,000,000	39,760,000	110,230,000	35,235,000
<u>COST</u>							
3	BASE RATE ADJUSTMENT	(c)	-	-	-	-	-
4	CHARGE	(d)	\$ -	\$ -	\$ -	\$ -	\$ -
5	FACTOR PER KWH	(e)	-	-	-	-	-
6	CHARGE	(f)	\$ -	\$ -	\$ -	\$ -	\$ -
	Average Factor	(g)					-

AUBURN MUNICIPAL ELECTRIC UTILITY

RECONCILIATION OF VARIANCES FOR THE
THREE MONTHS OF
OCTOBER, NOVEMBER AND DECEMBER 2010

ACTUAL AVERAGE KWH SALES

<u>LINE NO.</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>Total</u>	<u>Average</u>
1	31,457,010 (a)	31,127,243 (b)	34,581,299 (c)	97,165,552 (d)	32,388,517 (e)

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
THREE MONTHS OF
APRIL, MAY AND JUNE 2011

CALCULATION OF INCREMENTAL ENERGY RELATED
PURCHASED POWER COST FACTOR

	<u>April</u>	<u>May</u>	<u>June</u>
FUEL COST ESTIMATE BY I&M PER KWH	(a) 0.0000000	0.0000000	0.0000000

A separate charge will no longer show on the bill after December 1, 2009.

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 APRIL, MAY AND JUNE 2011

CALCULATION OF INCREMENTAL ENERGY COST
 BILLED BY AUBURN

<u>MONTHS</u>	<u>KWH SALES</u>	(a)	<u>FACTOR</u>	(b)	<u>DOLLAR AMOUNT</u>	(c)
2010						
October	31,457,010		(0.0044390)	(1)	\$ (139,638.00)	
November	31,127,243		(0.0044390)		(138,174.00)	
December	<u>34,581,299</u>		(0.0044390)		<u>(153,506.00)</u>	
Total	<u>97,165,552</u>				<u>\$ (431,318.00)</u>	
Average	<u>32,388,517</u>				<u>\$ (143,772.67)</u>	
Utility Receipts Tax					<u>\$ 0.986</u>	
Monthly Amount without Utility Receipts					<u>\$ (141,759.85)</u>	

(1) Due to late approval, this factor was used for 4 months.

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 APRIL, MAY AND JUNE 2011

Impact of Tracker

	<u>Average Usage</u> (a)	<u>Current Tracker</u> (b)	<u>Proposed Tracker</u> (c)	<u>Difference</u> (d)
		(0.002341) (e)	(0.000360) (f)	0.001981
Residential	2,000	\$ (4.68)	\$ (0.72)	\$ 3.96
Commercial	8,500	(19.90)	(3.06)	16.84
Industrial (Small)	88,300	(206.71)	(31.79)	174.92
Industrial (Large)	15,025,000	(35,173.53)	(5,409.00)	29,764.53

ATTACHMENT D

AUBURN MUNICIPAL ELECTRIC UTILITY
 DETERMINATION OF RATE ADJUSTMENT FOR THE
 ACTUAL COST FOR JANUARY THROUGH DECEMBER 2010

(Note: New Rates in Effect during This Time)

Billing Date Month	KWH (a)	KW (b)	Capacity Charge	Fixed Energy Charge	PJM Settlement Charge	PJM Settlement Credit	Total Bill (g)	Cost per KWH (h)	Increase
January 2010	38,320,000	2,456.29	\$ 257,460.96	\$ 1,542,380.00	\$ 1,550,489.00	\$ (1,691,406.02)	\$ 1,658,923.94	0.04329	
February 2010	29,460,000	2,218.59	232,545.38	1,191,951.60	1,375,040.89	(1,200,810.23)	1,598,727.64	0.05427	25.35%
March 2010	28,467,000	2,456.29	257,460.96	1,151,774.82	1,250,439.51	(985,610.53)	1,674,064.76	0.05881	8.36%
April 2010	30,304,000	2,377.06	249,155.77	1,226,099.84	1,108,559.72	(996,221.76)	1,587,593.57	0.05239	-10.91%
May 2010	29,812,000	2,456.29	257,460.96	1,206,193.52	1,272,082.02	(1,040,162.14)	1,695,574.36	0.05688	8.56%
June 2010	30,304,000	1,878.56	327,413.60	1,226,099.84	1,649,707.98	(1,255,383.39)	1,947,838.03	0.06428	13.01%
July 2010	30,387,000	1,941.18	338,327.38	1,229,458.02	1,917,635.31	(1,423,443.37)	2,061,977.34	0.06786	5.57%
August 2010	32,896,000	1,941.18	338,327.38	1,330,972.16	1,932,739.28	(1,491,111.91)	2,110,926.91	0.06417	-5.43%
September 2010	34,077,000	1,878.56	327,413.60	1,378,755.42	1,189,476.65	(1,143,971.84)	1,751,673.83	0.05140	-19.89%
October 2010	33,405,000	1,941.18	338,327.38	1,351,566.30	1,154,528.10	(1,062,106.81)	1,782,314.97	0.05335	3.80%
November 2010	31,441,000	1,878.56	327,413.60	1,272,102.86	1,202,655.33	(1,069,907.71)	1,732,264.08	0.05510	3.26%
December 2010	31,280,000	1,941.18	338,327.38	1,265,588.80	1,636,490.12	(1,325,452.13)	1,914,954.17	0.06122	11.12%
Total	380,153,000	25,364.90	\$ 3,589,634.35	\$ 15,372,943.18	\$ 17,239,843.91	\$ (14,685,587.84)	\$ 21,516,833.60		41.41%

AUBURN MUNICIPAL ELECTRIC UTILITY
Auburn, Indiana

PJM Cost (Estimated)
THREE MONTHS OF
APRIL, MAY AND JUNE 2011

<u>LINE NO.</u>			
1	April 2011	\$	-
2	May 2011		-
3	June 2011		-
4	Estimated Monthly Average PJM Cost	\$	-

Note: Included in Wholesale Tracker as of 3rd Quarter 2010

AUBURN MUNICIPAL ELECTRIC UTILITY

TRACKER HISTORY

1st Quarter 2003	0.000169
2nd Quarter 2003	0.000162
3rd Quarter 2003	0.000177
4th Quarter 2003	0.000169
1st Quarter 2004	(0.001488)
2nd Quarter 2004	0.000262
3rd Quarter 2004	(0.000674)
4th Quarter 2004	(0.001028)
1st Quarter 2005	(0.001488)
2nd Quarter 2005	0.0019890
3rd Quarter 2005	0.0029530
4th Quarter 2005	0.001989
1st Quarter 2006	0.001000
2nd Quarter 2006	0.001140
3rd Quarter 2006	0.002795
4th Quarter 2006	0.002028
1st Quarter 2007	0.002937
2nd Quarter 2007	0.003170
3rd Quarter 2007	0.003575
4th Quarter 2007	0.002373
1st Quarter 2008	0.002881
2nd Quarter 2008	0.004876
3rd Quarter 2008	0.004916
4th Quarter 2008	0.005896
1st Quarter 2009	0.006200
2nd Quarter 2009	0.009698
3rd Quarter 2009	0.009732
4th Quarter 2009	0.010095
1st Quarter 2010	0.007437
2nd Quarter 2010	0.004293
3rd Quarter 2010	(0.004091)
4th Quarter 2010	(0.004439)
1st Quarter 2011	(0.002341)
2nd Quarter 2011	(0.000360)

Tina Shipe

From: Tina Shipe
Sent: Friday, February 11, 2011 2:07 PM
To: 'Legals'
Subject: Legal Notice
Attachments: Ad for 2nd Qtr 2011 FAC Tracker.doc

Please advertise this legal notice on 2/17/2011. Thank you!

Tina M. Shipe
Deputy Clerk-Treasurer
City of Auburn, IN
260.925.6450 x 1102 (phone)
260.920.3358 (fax)
tmshipe@ci.auburn.in.us

NOTICE OF PROPOSED RATE CHANGE BY AUBURN CITY ELECTRIC UTILITY

Notice is hereby given to rate payers of the municipally owned electric utility and other interested persons of the following Rate Adjustment Factor change for April 1 – June 30, 2011. The City of Auburn, Indiana under and pursuant to the Public Service Commission Act, as amended, and the Indiana Utility Regulatory Commission's Order in Cause No 40095, hereby files with the Commission for its approval and average increase in its schedule of rates for the Rate Adjustment Factor for electricity sold in the amount of .001981 per kilowatt hours (KWH) for a new rate of (.000360) per KWH.

The utility has made a filing with the Indiana Utility Regulatory Commission for approval of the Rate Change. If approved, the rate change will take effect for bills to be rendered beginning with April 1, 2011 billing.

Objections should be submitted to: The Indiana Utility Regulatory Commission, 101 W Washington Street, Suite 1500 East, Indianapolis IN 46204 and/or Office of Utility Consumer Counselor, 115 W Washington Street, Suite 1500 South, Indianapolis IN 46204

Patricia M. Miller
Clerk-Treasurer
City of Auburn, IN